

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

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In re:

FEDERATION EMPLOYMENT AND GUIDANCE
SERVICE, INC. d/b/a FEFS,¹

Chapter 11
Case No. 15-71074 (REG)

Debtor.
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**STIPULATION BY AND AMONG THE DEBTOR, THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, AND THE UNITED STATES TRUSTEE TO INCREASE
THE DE MINIMIS SALE LIMIT WITH RESPECT TO A CERTAIN TRANSACTION**

Federation Employment and Guidance Service, Inc. d/b/a FEFS (“FEFS” or the “Debtor”), the Official Committee of Unsecured Creditors (the “Committee”), and the Office of the United States Trustee (the “UST”, and together with the Debtor and the Committee, the “Parties” and each a “Party”) by their respective undersigned counsel, hereby stipulate and agree as follows:

WHEREAS, on March 18, 2015 (the “Petition Date”), the Debtor commenced the above captioned case under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”),

WHEREAS, since the Petition Date, the Debtor has remained in possession of its assets as a debtor-in-possession pursuant to 11 U.S.C. §§ 1107 and 1108.

WHEREAS, on March 31, 2015 [Docket No. 105], the Committee was appointed in this case.

WHEREAS, on October 2, 2015 the Debtor filed a *Motion for an Order under 11 U.S.C. §§ 363 and 544 Approving Procedures to (I) Sell Certain De Minimis Assets Free and Clear of Liens, Claims, and Encumbrances Without Further Court Approval (II) Authorizing the Debtor*

¹ The last four digits of the Debtor’s federal tax identification number are 4000.

to Pay Commissions in Connection with any De Minimis Asset Sales (III) To Abandon Certain De Minimis Assets (the “De Minimis Procedures Motion”) [Docket No. 519].

WHEREAS, on October 23, 2015, the Court entered an Order approving the De Minimis Procedures Motion (the “De Minimis Procedures Order”) [Docket No. 539].

WHEREAS, the De Minimis Procedures Order authorizes the Debtor to consummate the sale of assets with a total purchase price not to exceed \$50,000.00 (the “\$50,000.00 Limitation”), pursuant to certain procedures set forth in the De Minimis Procedures Order, upon notice, but without further order, authorization, or approval from the Court.

WHEREAS, on August 12, 2016, the Debtor filed a *Notice of Proposed Sale of De Minimis Assets Pursuant to De Minimis Asset Sale Procedures* [Docket No. 733] which seeks to consummate the sale of certain assets (the “Assets”) with a total purchase price exceeding the \$50,000.00 Limitation, subject to entry of this Stipulation (the “Proposed Sale”).

WHEREAS, the Proposed Sale seeks to sell certain of the Debtor’s equipment to System Liquidators, Inc. for a total purchase price of \$85,820.00 pursuant to a quote provided by System Liquidators, Inc. which expires on August 31, 2016 (the “Expiration Date”).

WHEREAS, pursuant to the De Minimis Procedures Order, the Proposed Sale is subject to higher bids and objections during the 14-day notice period.

WHEREAS, the Court has jurisdiction over the matters covered by this Stipulation pursuant to 28 U.S.C. §§ 157 and 1334, venue is proper with this Court pursuant to 28 U.S.C. § 1409, and this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

WHEREAS, in entering into this Stipulation the Parties seek to consummate the Proposed Sale before the Expiration Date to maximize the value of the Assets while minimizing the costs associated with the Proposed Sale.

IT IS THEREFORE STIPULATED, AGREED AND ORDERED as follows:

1. The recitals set forth above are a material part of this Stipulation and are incorporated herein by reference.
2. Upon approval of this Stipulation by the Court, the \$50,000.00 Limitation in the De Minimis Sale Order shall not apply to the Proposed Sale and, upon expiration of the 14-day notice period for such sale (i.e. August 26, 2016), the Debtor may consummate the Proposed Sale without further Order of the Court.
3. The De Minimis Procedures Order, including the \$50,000.00 Limitation, shall apply to any further sale the Debtor seeks to consummate, unless otherwise authorized by an Order of the Court.
4. Notwithstanding any applicable provision of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or Local Bankruptcy Rules for the Eastern District of New York, the terms of this Stipulation shall be effective immediately upon entry.
5. The Court shall retain exclusive jurisdiction to interpret, implement, and enforce the provisions of this Stipulation.
6. This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Further, evidence of execution of this Stipulation may be exchanged by facsimile or by

electronic transmission of a scanned copy of the signature pages or by exchange of an originally signed document, each of which shall be as fully binding on the party as a signed original.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the Parties have executed this Stipulation as of the dates noted below.

Dated: August 18, 2016

OFFICE OF THE UNITED STATES TRUSTEE

/s/ Alfred M. Dimino

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Dated: August 18, 2016

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*Attorneys for the Official Committee of
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Dated: August 18, 2016

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Counsel for the Debtor and Debtor-in-Possession

**Dated: Central Islip, New York
August 26, 2016**



A handwritten signature in black ink, appearing to read "Robert E. Grossman".

**Robert E. Grossman
United States Bankruptcy Judge**